

KHAI-MA MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

	2009 R	2008 R
The maximum credit and interest risk exposures in respect of the relevant financial instruments are as follows:		
Investments	-	-
Long Term Receivables	-	-
Trade receivables from exchange transactions	2,423,867	138,508
Other receivables from non-exchange transactions	967,103	845,304
Other Debtors	-	-
Taxes	324,338	-
Current Portion of Long-term Receivables	-	-
Short-term Investment Deposits	3,078,185	762,088
Bank and Cash Balances	100	100
Maximum Credit and Interest Risk Exposures	6,793,592	1,746,000

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FINANCIAL INSTRUMENTS

In accordance with IAS 39.09 the financial assets of the municipality are classified as follows:

<u>Financial Assets</u>	<u>Classification</u>		
Investments			
Fixed Deposits	Held to maturity	-	-
Long-term Receivables			
Staff Loans	Loans and Receivables	-	-
Consumer Debtors			
Trade receivables from exchange transactions	Loans and Receivables	2,423,867	138,508
Other receivables from non-exchange transactions	Loans and Receivables	967,103	845,304
Other Debtors			
Payments made in Advance	Loans and Receivables		
VAT	Loans and Receivables	324,338	-
Government Subsidies and Grants	Loans and Receivables		
Current Portion of Long-term Receivables			
Staff Loans	Loans and Receivables	-	-
Short-term Investment Deposits			
Call Deposits	Held to maturity	3,078,185	762,088
Bank Balances and Cash			
Bank Balances	Held to maturity	-	-
Cash Floats and Advances	Held to maturity	100	100
Financial Liability	<u>Classification</u>		
Non-Current Liabilities			
Long-term Liabilities	Loans and Payables	1,497,084	2,004,029
Current Liabilities			
Trade and other payables	Loans and Payables	5,537,527	2,191,857
Unspent Conditional Grants	Loans and Payables	2,750,861	736,816
Consumer Deposits	Loans and Payables	47,767	41,807
Taxes	Loans and Payables	-	-
Bank Balances and Cash			
Bank Balances	Held to maturity	555,619	768,756

KHAI-MA MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

		2009 R	2008 R
SUMMARY OF FINANCIAL ASSETS			
Held to maturity:			
Investments	Fixed Deposits	-	-
Short-term Investment Deposits	Call Deposits	3,078,185	762,088
Bank Balances		-	-
Cash Floats and Advances		100	100
		3,078,285	762,188
Loans and Receivables			
Long-term Receivables	Staff Loans	-	-
Consumer Debtors	Exchange transactions	2,423,867	138,508
Other Debtors	Non-exchange transactions	967,103	845,304
Other Debtors	Payments made in advance	-	-
Current Portion of Long-term Receivables	Government Subsidies and Grants	-	-
VAT	Staff Loans	-	-
	VAT	324,338	-
		3,715,308	983,812
Total Financial Assets		6,793,592	1,746,000
SUMMARY OF FINANCIAL LIABILITIES			
Held to maturity:			
Bank Balances	Primary Bank Account	555,619	768,756
		555,619	768,756
Loans and Payables			
Long-term Liabilities	External Loans	1,497,084	2,004,029
Trade and other payables	Creditors	5,537,527	2,191,857
Unspent Conditional Grants	Unspent Grants	2,750,661	736,816
Consumer Deposits		47,767	41,807
Taxes	VAT	-	-
		9,833,039	4,974,509
Total Financial Liabilities		10,388,658	5,743,265
52 EVENTS AFTER THE REPORTING DATE			
The Municipality is not aware of any events after the reporting date.			
53 IN-KIND DONATIONS AND ASSISTANCE			
None			
54 PRIVATE PUBLIC PARTNERSHIPS			
Council has not entered into any private public partnerships during the financial year.			
55 COMPARISON WITH THE BUDGET			
The comparison of the municipality's actual financial performance with that budgeted, is set out in Annexures "E (1) and E (2)".			
56 CONTINGENT LIABILITY			
The municipality is not aware of any contingent liabilities.			

KHAI-MA MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

			2009 R	2008 R
57	RELATED PARTIES			
	Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.			
57.1	Related Party Transactions			
		Rates	Service Charges	Other
	Year ended 30 JUNE 2009			Outstanding Balances
	Councillors	963	12,570	-
	Municipal Manager and Section 57 Employees	552	1,360	-
	Year ended 30 JUNE 2008			
	Councillors		7,251	-
	Municipal Manager and Section 57 Employees	532	1,189	-
	The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.			
57.2	Related Party Loans			
	Since 1 July 2004 loans to councillors and senior management employees are not permitted. Loans granted prior to this date, together with the conditions, are disclosed in note 19 to the Annual Financial Statements.			
57.3	Compensation of key management personnel			
	The compensation of key management personnel is set out in note 34 to the Annual Financial Statements.			
57.4	Other related party transactions			
	The following purchases were made during the year where Councillors or staff have an interest:			
	<u>Councillor/Staff Member</u>	<u>Entity</u>		
58	Process to comply fully with the implementation of General Recognised Accounting Practices (GRAP)			
	The municipality adopted a phased-in approach in order to comply fully with the implementation of GRAP. The municipality is classified by the National Treasury as a low capacity municipality and must comply with GRAP by 30 June 2010.			
59	Exemptions taken according to those in Directive 4 - Transitional Provisions for Medium and Low Capacity Municipalities.			
59.1	GRAP 19 -Provisions, Contingent Liabilities and Contingent Assets			
	The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. The municipality did not measure all provisions, contingent liabilities or contingent assets relating to Property, Plant and Equipment.			
	The municipality is currently in a process of identifying all provisions which must be measured in terms of GRAP 19 and it is expected that this process will be completed for inclusion in the 2010 financial statements.			
59.2	GRAP 100 -Non-current assets and discontinued operations			
	The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. The municipality did not recognise non-current assets held for sale and discontinued operations relating to Inventories, Investment Properties, Property, Plant and Equipment, Agriculture and Intangible Assets which are not recognised in terms of the transitional provisions relating to those standards.			

KHAI-MA MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

59.3 GRAP 16 - Investment Properties

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. The municipality did not recognise all the Investment Properties.

The municipality is currently in a process of identifying all Investment Properties and have it valued in terms of GRAP 16 and it is expected that this process will be completed for inclusion in the 2010 financial statements.

Since the previous reporting date the following Investment Properties were measured at fair value in accordance with GRAP 16 and restated retrospectively:

Land with undetermined use;
Land;
Buildings; and
Land and Buildings.
Total not previously recognised now restated retrospectively

R	R
-	-
-	-
-	-
-	-
-	-
-	-

59.4 GRAP 102 - Intangible Assets

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. The municipality did not recognise or measure all the Intangible Assets in accordance with the standard, including the following:

Computer Software;
Intangible assets financed by way of finance leases;
Intangible assets transferred as a result of the transfer of functions; and
Servitudes.

The municipality is currently in a process of identifying all Intangible Assets and have it valued in terms of GRAP 102 and it is expected that this process will be completed for inclusion in the 2010 financial statements. It is possible that certain intangible assets are currently being recognised as Property, Plant and Equipment.

Since the previous reporting date the following Intangible Assets were measured in accordance with GRAP 102 and restated retrospectively:

Computer software;
Accumulated amortisation on computer software
Total not previously recognised now restated retrospectively

R	R
-	-
-	-
-	-
-	-
-	-
-	-

59.5 GRAP 12 - Inventories

The municipality opted to take advantage of the transitional provisions as contained in Directive 4 of the Accounting Standards Board, issued in March 2009. The municipality did not recognise the following inventories:

Water;
Land held for sale; and
Other (list).

The municipality is currently in a process of identifying all inventory which must be measured in terms of GRAP 12 and it is expected that this process will be completed for inclusion in the 2010 financial statements.

Since the previous reporting date the following inventories were measured in accordance with GRAP 12 and restated retrospectively:

Water;
Land held for sale; and
Other (list).

R	R
-	-
-	-
-	-
-	-
-	-
-	-

59.6 GRAP 17 - Property, Plant and Equipment

Exemptions taken according to Directive 4 - Transitional Provisions for Medium and Low Capacity Municipalities. Refer to Note 13

60 Going Concern

During the current financial year the Municipality experienced severe cash flow problems. The is due to the fact that the Municipality has a very small income base because of to the severe number of unemployed households within the region. The Municipality is dependant on grant funding due to the small income base. Should the Equitable Share not be increased substantially in the future, the Municipality will be faced with serious going concern problems.

APPENDIX A
KHAI-MA MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2009

EXTERNAL LOANS	Rate	Loan Number	Redeemable	Balance at 30 JUNE 2008	Received during the period	Redeemed written off during the period	Balance at 30 JUNE 2009	Carrying Value of Property, Plant & Equipment	Other Costs in accordance with the MFMA
LONG-TERM LOANS									
Stock Loan				-	-	-	-	-	-
Total Long-term Loans				-	-	-	-	-	-
ANNUITY LOANS									
Administration/Finance Loan				-	-	-	-	-	-
ABSA	14.00%	SR Pofadder	30/06/2012	72,305	-	14,589	57,717	-	-
DBSA	5.00%	NC102355.1.	30/06/2013	1,931,724	-	492,357	1,439,367	-	-
Total Annuity Loans				2,004,029	-	506,945	1,497,084	-	-
GOVERNMENT LOANS									
Other				-	-	-	-	-	-
Total Government Loans				-	-	-	-	-	-
LEASE LIABILITY									
AOT FINANCE	7.46%	ESTETNER DMS62	31/10/2010	58,816	-	23,973	34,843	-	-
Total Lease Liabilities				58,816	-	23,973	34,843	-	-
TOTAL EXTERNAL LOANS				2,062,845	-	530,919	1,531,927	-	-

APPENDIX B

KHAI MA MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Cost/Revaluation								Accumulated Depreciation						Carrying Value
	Opening Balance	Residual Value Opening Balance	Additions	Revaluation	Impairments	Under Construction	Residual Value Disposals	Closing Balance	Opening Balance	Additions	Revaluation	Impairments	Disposals income	Closing Balance	
Land and Buildings															
Land	14,346,053		15,865,295	1,205,268	6,763,907			24,652,710	-		-			-	24,652,710
Buildings	1,307,575			745,838	355,297			1,698,116	567,770	107,574	-	152,538		522,806	1,175,310
	15,653,629	-	15,865,295	1,951,106	7,119,204	-	-	26,350,826	567,770	107,574	-	152,538	-	522,806	25,828,020
Infrastructure															
Roads	2,970,801			-				2,970,801	939,296	179,908	-			1,119,204	1,851,597
Security measures	20,122			-				20,122	5,463	3,693	-			9,156	10,966
Sewerage	3,020,710		755,689	-				3,776,399	993,410	127,583	-			1,120,993	2,655,406
Electricity Mains	2,761,277				10,445			2,750,829	1,813,914	108,442	-	9,747		1,712,869	1,038,160
Water Mains & Purification	10,024,856		50,968	28,000	87,229			10,036,594	6,810,541	273,776	-	40,704		7,043,613	2,992,981
Reservoirs – Water	650,000			-				650,000	550,000	10,000	-			560,000	90,000
Water Meters	61,951			-				61,951	8,604	4,130	-			12,734	49,217
	19,509,717	-	806,656	28,000	77,878	-	-	20,266,696	10,921,288	707,532	-	50,451	-	11,578,369	8,688,327
Community Assets															
Parks & Gardens	75,000			27,900	75,000			27,900	7,000	1,930	-	8,000		930	26,970
Libraries	542,400			-	486,500	10,826		66,726	289,229	11,035	-	298,401		1,863	64,863
Recreation Grounds	6,412,634			51,100	75,000			6,388,734	289,578	140,701	-			430,279	5,958,455
Care Centre	169,803			17,267	135,803			51,267	39,621	6,411	-	36,214		9,816	41,449
Clinics and Hospitals	432,132			2,459,083	98,252			2,792,964	85,696	154,753	-	12,455		227,994	2,564,970
Community Centres	185,960			-	172,660			13,000	43,321	4,955	-	47,843		433	12,567
Public conveniences	152,507			-	132,650			19,857	8,018	5,084	-	5,159		7,943	11,914
	7,970,136	-	-	2,555,350	1,175,865	10,826	-	9,360,447	762,462	324,869	-	408,071	-	679,260	8,681,188
Heritage Assets															
Historical Buildings	-							-	-					-	-
Painting & Art Galleries	-							-	-					-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total carried forward	43,133,482	-	16,671,951	4,534,456	8,372,746	10,826	-	55,977,969	12,251,520	1,139,974	-	611,059	-	12,780,435	43,197,535

APPENDIX B
KHAIR MA MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Cost								Accumulated Depreciation						Carrying Value
	Opening Balance	Residual Value Opening Balance	Additions	Revaluation	Impairments	Under Construction	Residual Value Disposals	Closing Balance	Opening Balance	Additions	Revaluation	Impairments	Disposals	Closing Balance	
Total brought forward	43,133,482	-	16,671,951	4,534,456	8,372,746	10,826	-	55,977,969	12,251,520	1,139,974	-	611,059	-	12,780,435	43,197,535
Housing Rental Stock															
Housing Rentals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leased Assets															
Office Equipment	114,399	-	-	-	-	-	-	114,399	64,826	22,880	-	-	-	87,706	26,593
	114,399	-	-	-	-	-	-	114,399	64,826	22,880	-	-	-	87,706	26,593
Other Assets															
Landfill sites	106,788	-	-	-	-	-	-	106,788	22,675	5,398	-	-	-	28,073	78,715
Office Equipment	269,724	-	-	-	153,768	-	-	115,956	141,966	36,889	-	145,178	-	33,709	82,247
Furniture & Fittings	359,162	-	175	-	116,649	-	-	242,688	104,559	32,520	-	83,660	-	53,416	189,270
Motor vehicles	3,113,556	-	-	-	553,293	-	-	2,560,263	877,967	352,360	-	529,593	-	700,724	1,859,539
Plant and equipment	238,591	-	-	-	30,681	-	-	207,910	53,814	30,413	-	27,232	-	56,994	150,915
Computer equipment	458,506	-	9,649	-	345,863	-	-	122,292	308,676	42,507	-	321,930	-	29,253	93,039
Fire equipment	105,088	-	-	-	79,500	-	-	85,588	17,969	17,527	-	11,042	-	24,454	61,134
	4,711,415	-	9,824	-	1,279,754	-	-	3,441,484	1,527,546	517,613	-	1,118,634	-	926,026	2,514,858
Total Property, Plant and Equipment	47,959,295	-	16,681,775	4,534,456	9,652,500	10,826	-	59,533,852	13,843,952	1,680,466	-	1,729,693	-	13,794,766	45,739,086

APPENDIX C
KHAI-MA MUNICIPALITY
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2009
GENERAL FINANCE STATISTICS CLASSIFICATION

	Cost/Revaluation								Accumulated Depreciation						Carrying Value
	Opening Balance	Additions	Revaluation	Transfers In	Transfers Out	Under Construction	Impairments	Closing Balance	Opening Balance	Additions	Revaluation	Disposals	Impairments	Closing Balance	
Executive and Council	1,124,800	9,824				-	337,086	797,538	398,791	149,039			286,771	261,059	536,480
Finance and Administration	14,593,271	-		0	(0)	-	5,265,347	9,327,925	299,626	7,651			208,869	98,408	9,229,516
Planning and Development	-	-				-	-	-	-	-			-	-	-
Community and Social Services	5,699,369	15,865,295	4,534,456	30,000	(30,000)	10,826	3,525,305	22,584,641	1,840,558	653,708	-		1,012,460	1,481,806	21,102,835
Housing	-	-				-	-	-	-	-			-	-	-
Public Safety	-	-				-	-	-	-	-			-	-	-
Sport and Recreation	6,602,295	-		0	(0)	-	185,660	6,416,635	304,899	143,820			17,509	431,209	5,985,426
Environmental Protection	-	-				-	-	-	-	-			-	-	-
Waste Management	116,468	-				-	-	116,468	26,769	7,379			-	34,148	82,320
Waste Water Management	3,040,567	755,689				-	-	3,796,256	1,000,690	128,245			-	1,128,935	2,667,321
Road Transport	3,087,202	-				-	207,801	2,879,401	938,796	182,621			103,585	1,017,833	1,861,568
Water	10,783,123	50,968		0	(0)	-	67,229	10,766,861	7,371,652	291,178			40,704	7,622,126	3,144,736
Electricity	2,912,199	-				-	64,072	2,848,128	1,662,212	116,827			59,796	1,719,243	1,128,884
Other	-	-				-	-	-	-	-			-	-	-
	47,959,295	16,681,775	4,534,456	30,000	(30,000)	10,826	9,652,500	59,533,853	13,843,992	1,680,467	-		1,729,693	13,794,766	45,739,086

APPENDIX D
KHAI-MA MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009
MUNICIPAL VOTES CLASSIFICATION

2008 Actual Income R	2008 Actual Expenditure R	2008 Surplus/ (Deficit) R		2009 Actual Income R	2009 Actual Expenditure R	2009 Surplus/ (Deficit) R
35,851	2,603,837	(2,567,986)	Executive and Council	14,049	(2,524,488)	(2,510,439)
5,801,022	10,098,843	(4,297,821)	Finance and Administration	18,624,057	(4,147,361)	14,476,697
10,145	378,536	(368,391)	Planning and Development	43,174	(446,039)	(402,865)
2,048,916	2,533,919	(485,003)	Community and Social Services	1,813,832	(6,085,285)	(4,271,453)
768,945	768,945	-	Housing	1,478,404	(1,478,404)	-
	6,974	(6,974)	Public Safety	-	(6,845)	(6,845)
120,000	462,497	(342,497)	Sport and Recreation	-	(543,536)	(543,536)
35,318	4,227	31,091	Environmental Protection	-	-	-
1,116,916	1,161,875	(44,959)	Waste Management	391,314	(1,530,513)	(1,139,199)
2,207,641	1,277,730	929,911	Waste Water Management	1,374,812	(2,039,573)	(664,761)
1,370,774	683,690	687,084	Road Transport	177,091	(815,911)	(638,820)
3,834,908	2,601,601	1,233,307	Water	2,899,499	(5,972,973)	(3,073,474)
2,220,785	1,881,237	339,548	Electricity	2,372,683	(2,554,167)	(181,484)
4,950,081	2,794,535	2,155,546	Other	6,123,205	(426,038)	5,697,167
24,521,302	27,258,446	(2,737,144)	Sub Total	35,312,121	(28,571,134)	6,740,987
1,019,202	1,019,202	-	Less Inter-Departmental Charges	(1,623,304)	1,623,304	-
25,540,504	28,277,648	(2,737,144)	Total	33,688,817	(26,947,830)	6,740,987

APPENDIX E(1)
KHAI-MA MUNICIPALITY
REVENUE AND EXPENDITURE
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2009
MUNICIPAL VOTES CLASSIFICATION

	2009 Actual (R)	2009 Budget (R)	2009 Variance (R)	2009 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
REVENUE					
Property Rates	1,465,115	1,480,940	(15,825)	-1.07%	
Government Grants and Subsidies	9,767,504	34,344,983	(24,577,479)	-71.56%	Capital projects not started
Public Contributions and Donations	-	-	-	0.00%	
Fines	63,550	50,000	13,550	27.10%	More efficient law enforcement
Third Party Payments	-	-	-	0.00%	
Stock Adjustments	-	-	-	0.00%	
Actuarial Gains	126,371	-	126,371	0.00%	
Property Rates - Penalties & Collection Charges	-	-	-	0.00%	
Service Charges	4,985,515	5,215,390	(229,875)	-4.41%	
Rental of Facilities and Equipment	93,966	84,900	9,066	10.68%	More rentals
Interest Earned - External Investments	239,669	150,000	89,669	59.78%	More investments than budgeted
Interest Earned - Outstanding Debtors	838,837	518,940	319,897	61.64%	Non payment of municipal charges
Licences and Permits	14,668	13,900	768	5.52%	
Agency Services	98,423	100,000	(1,577)	-1.58%	
Other Revenue	129,904	1,285,100	(1,155,196)	-89.89%	Less income recieved
Unamortised Discount - Interest	-	-	-	0.00%	
Dividends Received	-	-	-	0.00%	
Contributed PPE	15,865,295	15,865,400	(105)	0.00%	More PPE received than budgeted
Gains on Disposal of PPE	-	-	-	0.00%	
Total Revenue	33,688,817	59,109,553	(25,420,736)	(0)	
EXPENDITURE					
Executive and Council	(2,524,488)	(2,576,780)	52,292	-2.03%	
Finance and Administration	(4,147,361)	(5,125,850)	978,489	-19.09%	Implementation of GRAP 17, 19
Planning and Development	(448,039)	(535,680)	89,641	-16.73%	Salary expenditure lower than budgeted
Community and Social Services	(6,085,285)	(1,855,730)	(4,229,555)	227.92%	Implementation of GRAP 17, 19
Housing	(1,478,404)	(18,261,978)	16,783,574	-91.90%	Project transferred to Department
Public Safety	(6,845)	(30,500)	23,655	-77.56%	Less expenditure incurred
Sport and Recreation	(543,536)	(352,010)	(191,526)	54.41%	Implementation of GRAP 17, 19
Environmental Protection	-	-	-	0.00%	
Waste Management	(1,530,513)	(970,860)	(559,653)	57.65%	Implementation of GRAP 17, 19
Waste Water Management	(2,039,573)	(1,344,750)	(694,823)	51.67%	Implementation of GRAP 17, 19
Road Transport	(815,911)	(698,590)	(117,321)	16.79%	Implementation of GRAP 17, 19
Water	(5,972,973)	(2,672,690)	(3,300,283)	123.48%	Implementation of GRAP 17, 19
Electricity	(2,554,167)	(2,418,090)	(136,077)	28.95%	Implementation of GRAP 17, 19
Other	(426,038)	(470,000)	43,962	3.79%	
Less Internal Charges	1,623,304	1,160,000	463,304	-1.28%	
Total Expenditure	(26,947,830)	(36,153,508)	9,205,678	4	
SURPLUS / (DEFICIT) FOR THE YEAR	6,740,987	22,956,045	(16,215,058)	4	

APPENDIX E (2)
KHAI-MA MUNICIPALITY
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2009
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS
MUNICIPAL VOTES CLASSIFICATION

	2009 Actual	2009 Under Construction	2009 Total Additions	2009 Budget	2009 Variance	2009 Variance	Explanation of Significant Variances greater than 5% versus Budget
	R	R	R	R	R	%	
Executive and Council	9,824	-	9,824	50,000	(40,176)	-80.35%	Due to political instability very few projects were started
Finance and Administration	-	-	-	-	-	#DIV/0!	
Planning and Development	-	-	-	-	-	#DIV/0!	
Community and Social Services	15,865,295	-	15,865,295	16,111,400	(246,105)	-1.53%	
Housing	-	-	-	-	-	#DIV/0!	
Public Safety	-	-	-	-	-	#DIV/0!	
Sport and Recreation	-	-	-	90,000	(90,000)	-100.00%	Due to political instability very few projects were started
Environmental Protection	-	-	-	-	-	#DIV/0!	
Waste Management	-	-	-	-	-	#DIV/0!	
Waste Water Management	755,689	-	755,689	1,634,000	(878,311)	-53.75%	Due to political instability very few projects were started
Road Transport	-	-	-	750,000	(750,000)	-100.00%	Due to political instability very few projects were started
Water	50,968	-	50,968	3,561,800	(3,510,832)	-98.57%	Due to political instability very few projects were started
Electricity	-	-	-	750,000	(750,000)	-100.00%	Due to political instability very few projects were started
Other	-	-	-	-	-	#DIV/0!	
Total	16,681,775	-	16,681,775	22,947,200	(6,265,425)	-0.273036581	

APPENDIX F
KHAI-MA MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 1 JULY 2008	Correction of error	Restated balance 1 JULY 2008	Contributions during the year	Interest on Investments	Trade Payables	Other Income	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	VAT Recognised as Income	Balance 30 JUNE 2009
	R		R	R	R	R	R	R	R	R	R
TRUST FUNDS											
DWAF (Donorfunds)	-		-	541,103	-	-	-	541,103			-
Namakwa Distriks Munisipaliteit- Omgewing Gesondheid			-	-	-	-	-	-			-
Namakwa Distriks Munisipaliteit- Local Government-Operating			-	-	-	-	-	-			-
Namakwa Distriksmunisipaliteit-Job creation			-	-	-	-	-	-			-
Namakwa Distriksmunisipaliteit-Repair of pumps			-	283,168	-	-	-	250,000	33,168		0
Department Sport Arts and Culture - Sport Development			-	-	-	-	-	-			-
Department of Transport, Roads and Public Works -Job creation			-	-	-	-	-	-			-
DWAF - Feasibility studie (Witbank and Pella)			-	-	-	-	-	-			-
DPLG - Equitable share			-	5,873,205	-	-	-	5,873,205			-
Financa Management Grant	240,312		240,312	1,250,000	-	-	-	503,153	9,649	1,351	976,160
Municipal System Improvement Grant	88,090		88,090	735,000	-	-	-	86,823			736,267
Department Sport Arts and Culture - Library Development	140,889		140,889	275,000	-	-	-	144,059	10,826	1,006	259,998
Provincial Infrastructure Grant	44,655		44,655	-	-	-	-	-	17,800	2,492	24,363
Department of Minerals and Energy			-	-	-	-	-	-			-
Municipal Infrastructure Grant- National	1,946		1,946	3,066,796	-	1,700,000	-	-	755,689	52,319	560,735
Municipal Infrastructure Grant- Provincial			-	-	-	-	-	-			-
Department Environmental Affairs and Conservation	41,764		41,764	-	-	-	-	-			41,764
Siyanda Districtmunisipality (House erven 161)			-	-	-	-	-	-			-
Department of Health- (Abblutionblock)			-	-	-	-	-	-			-
Department of Housing and Local Government - Housing	96,841		96,841	1,469,557	-	-	-	1,478,404			87,994
LGSETA	18,130		18,130	23,900	-	-	-	-			42,030
Extended Public Works Programme			-	-	-	-	-	-			-
Other Subsidies			-	17,288	-	-	-	17,288			-
DBSA Grant	55,008		55,008	-	-	-	-	-			12,169
Namakwa Diamond Fund Trust	9,181		9,181	-	-	-	-	42,839			9,181
Black Mountain	-		-	3,500	-	-	-	3,500			-
Total	736,816	-	736,816	13,538,516	-	1,700,000	-	8,940,372.38	827,131.63	57,167.17	2,750,661